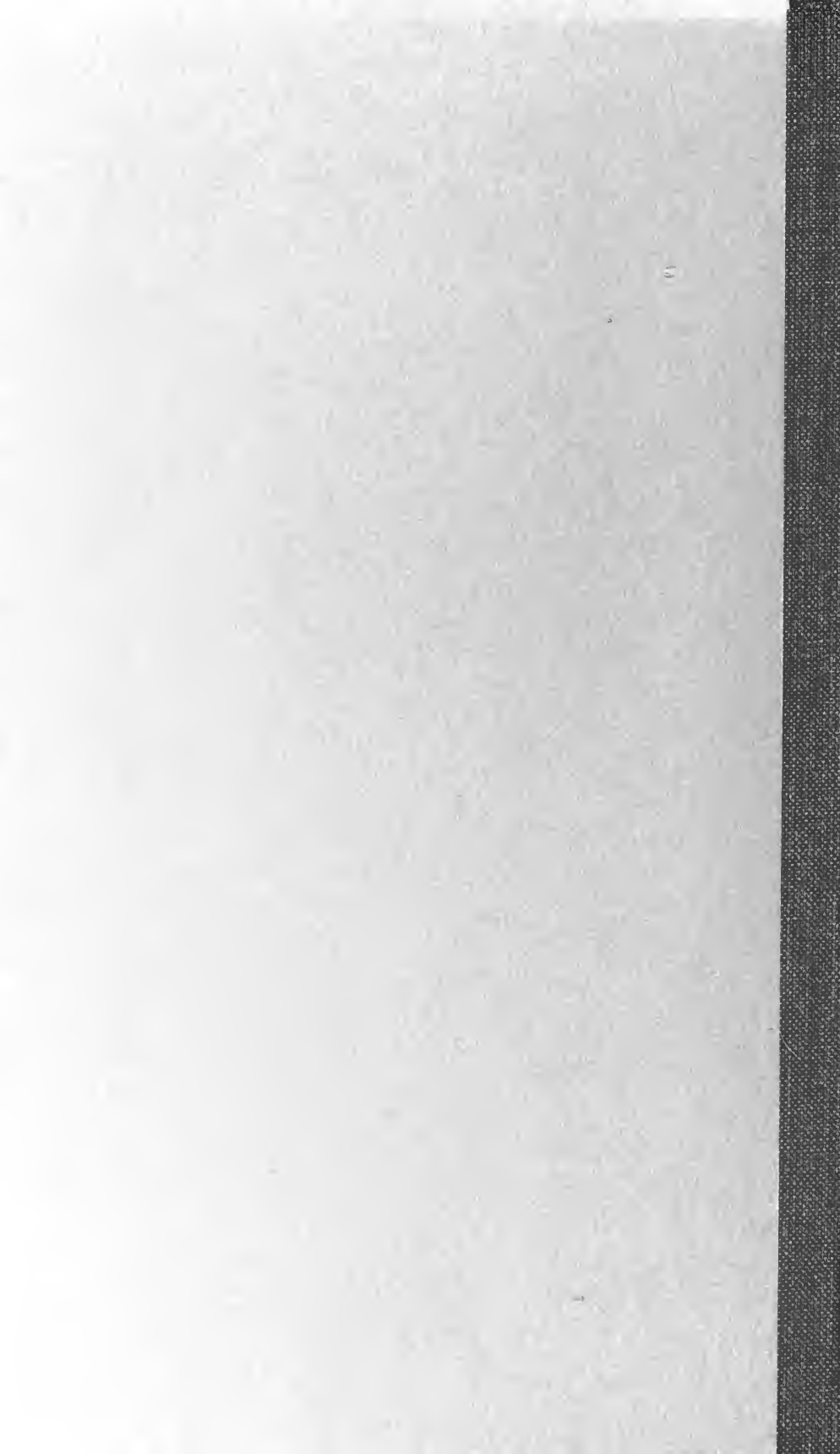




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THOUGHTS
ON
THE CORN LAWS,
ADDRESSED TO
THE WORKING CLASSES
OF THE
COUNTY OF GLOUCESTER.

BY
THE HON. A. H. MORETON, M.P.

Through all the East and all the West,
And eke throughout the South,
Shall every man have wheaten cake
To put into his mouth.

Then up and spoke unto the King
A little German bold,
Though every man have meat enow,
I trow their limbs are cold.

OLD BALLAD.

LONDON :
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THOUGHTS ON THE CORN LAWS.

DURING the eight years that I have sat as one of the representatives of the county of Gloucester, part of the time as member for the Western, and now as member for the Eastern Division, no question has been mooted that carries itself so home to the perception of every individual in the country as the Corn Law question. The Reform Bill was a question of feeling; this is a question of food. Many never trouble their heads about politics; all must think about bread. I have therefore felt it my duty to give this great subject a calm, impartial, and searching examination, to see how it would affect the interests of the different classes of persons forming that community to which I am responsible for my public conduct; and I have taken the liberty of laying before them the following reflections upon the subject. They are ad-

dressed chiefly to labouring and poorer classes ; for it is to them that this question is of the most vital importance, and their interests have been too often overlooked in the public bickerings between the landowner on the one side, and the master manufacturers and merchants on the other. The landlord thinks that the lowering the duty on foreign corn will injure his rents. The mercantile man thinks that it will increase his profits ; and although one of them talks about the big loaf, and the other about the danger of trusting to foreigners for a supply of food—this is all flourish : their thoughts are really about their own pockets.

A question here might naturally be asked, which party do I belong to ? I belong to neither. Politically, part of my supporters are manufacturers, and part agricultural. Part of my private income is derived from rents, and part from fixed money payments ; so that my reflections are not biassed by a heavy pocket on one side, and a light one on the other ; and my errors will be those of judgment, and not those of self-interest.

The main subject that I intend to discuss in the following pages is, WHAT EFFECT WILL AN ALTERATION IN THE DUTY UPON FOREIGN CORN HAVE UPON THE LABOURING CLASSES ?

In considering the effects of alterations in the price of food, we must carefully distinguish between the fluctuations that take place from year to year

according to the state of the harvest ;—and the average price of corn, taking one year with another, for a considerable space of time,—depending upon the expense of growing corn in this country, and the duties imposed upon its importation.

When there comes a cheap year, the labouring classes have more to eat, and are happy and contented. When there comes a dear year, their condition becomes very miserable ; and though in this country none can be said to die of actual starvation, yet the diminution of the quantity, or the deterioration of the quality of their food, facilitates the ravages of disease. A dear year always produces an increase in the average mortality of the country. A very dear year is generally accompanied or followed by some fatal epidemic. Thus a fall in the price of food makes the labouring population happy, contented, and healthy.

Again, a rise in the price of food brings with it intense misery, facilitates the inroads of disease, and hastens the approach of death.

Every poor man remembers with thankfulness an abundant harvest, and looks back with horror to the time of scarcity, and to the ravages of contagious disease that have probably accompanied it. Accursed be the man that does not feel with him—happy when his fellow-creatures are comfortable, and sorry when they are wretched !

I have hitherto been speaking of the fluctuations

from year to year in the price of corn, and this, in truth, is what we feel the most acutely.

Let us now consider the effect of a permanent alteration in the price of corn. Let us suppose, for instance, that the average price of corn, one year with another, for the next twenty years, should be ten per cent. lower than it was during the last twenty years. Would the comforts of the labourer be affected in the same way by this permanent alteration in the price of corn, as they were by those of short duration?

At first the effect would be precisely the same; the labourer with the same wages would be able to purchase a greater amount of food for himself and family—their comforts and health would be improved—the enjoyment of a family fireside would be obtained at the expense of fewer personal privations. More would marry. The labouring classes would be in every respect improved in condition. They would enjoy greater abundance and more comforts, better health, and consequently prolonged lives. Many a man who before lived a negligent and cheerless single life, is now surrounded by the smiling countenances of those who love and look up to him.

But all this while, there are under springs at work which must eventually injure this pleasing picture, and bring the labouring man down at least to his former level. Observe, first, the annual number of deaths among the population is diminished.

The enjoyment of abundance of wholesome food is rearing up a larger proportion of children to manhood, while the number of marriages and the number of births have also become greater. Population is rapidly increasing: at first there was an increased amount of food to be divided among the same number of mouths; but the number of mouths keeps continually multiplying, without any corresponding increase in the amount of food to be distributed among them. The proportion of food that comes to the share of each family continues gradually being reduced, till at length they are no better off than they were at first. There is more food in the country to be sure, but then there are more mouths to divide it among. As far as each family is concerned, the thing is as broad as it is long; they get neither more nor less food to their share than they did before. The increased amount of food gives support to a larger population.

Let us go this over again in other words. At first the labourer gets the same wages, and finds the price of food cheaper. As the population increases, there are more people wanting to get employment—lads, as they grow up, must get something to do, or go to the workhouse. Masters find persons who are willing to do their work for lower wages; they consequently give lower wages; and so wages will continue to fall until the labourer is just able to earn food

enough for himself and family—in short, until, *as far as food is concerned*, he is just in the same position that he was in before the fall in the price of corn.

The wages of a common labourer appear to be regulated by what would be a sum sufficient to maintain themselves and their families, so that their numbers do not fall off. Whenever wages fall below this sum, an increased mortality, an increased emigration, and probably a diminution of marriages, will in the course of a short time reduce their number. When, of course, fewer labourers seek for employment, masters will offer higher wages, till at length wages will be restored to their former level, and be sufficient to maintain the labourers and their families in such a manner that their number will no longer be reduced. When wages rise above this rate, the number of labourers in the country begins to increase, when the efforts of all to obtain employment soon reduce the wages of the ordinary labourers to that sum that will just afford them support.

From this it follows that a permanent fall in the price of food will reduce wages in about the same proportion as the price of food. It is very important to consider the manner in which the fall in the price of food effects a fall in wages; the first effect being the increasing the abundance of food to the labourer without affecting (or only in a very

slight degree) his wages. It is the increase of population, the augmented number of labourers, which gradually but certainly follows, that, by creating a greater competition for employment, brings down wages. If the increase of food in the country had not enabled a greater number of labourers to exist, there could have been no increased competition for employment to reduce wages.

Now if the wages of the labourer fall in exactly the same proportion as the price of food, it is evident that he can buy exactly the same quantity of food that he could before his wages were reduced. If he only earns sixpence, where he earned a shilling before, he can buy as much bread for sixpence as he could before for a shilling.

The next question we have to consider is, whether the other articles of his consumption will fall in the same proportion as wages and food. If they do, the labourer will be in exactly the same position that he was before; for if he works cheaper, he buys cheaper.

It is very evident that everything that is bought and sold is somehow or other the produce of labour, and that its price must of course be affected by the amount paid for the labour used in its manufacture.

Upon a closer inspection, however, we shall find that there are some parts of the price charged

for an article in the shop, that are not affected by the market price of labour or food in the country.

Take a yard of cotton, for instance. The value of the raw cotton as it is imported from India or America, although it is undoubtedly produced by labour, yet the wages of the Indian or American have nothing in the world to do with the price of food or the rate of wages in England.

Then there are the profits upon the capital employed by the importer, by the manufacturer, and by the shopkeeper, none of which are reduced by the fall of wages.

Thus the price of every article that is sold may be divided into three parts :

The value of the raw article out of which the things is made ;

The profits upon the capital employed in manufacturing and bringing it to market ;

And, thirdly, the wages of the persons employed in producing it.

The proportions in which these three parts enter into the price of an article is very variable. Some are almost entirely made up of wages, the raw material out of which it is made being of very little comparative value.

The pendulum spring of a watch that governs the vibrations of the balance, has been calculated to be worth exactly fifty thousand times the value of the iron out of which it is made. Or the material may be very precious, as gold or the glazier's

diamond: or it may require the employment of great capital to fit it for sale.

In goods imported from abroad in the finished state, such as tea, tobacco, coarse cotton goods, the price of the articles is not in the slightest degree affected by the wages of labour in England. The only English labour bestowed upon it is in carrying it to the warehouse, and from thence to the retail dealer.

But let us suppose that, on an average, the price of each article is made up of an equal amount of the value of raw material—of the profits upon the capital employed—and of wages paid for the labour employed in its production. Then if the article sold for fifteen shillings, the stuff out of which the article was made would be five shillings—the profits upon the capital employed would be five shillings—and the wages paid for the labour in it would also be five shillings.

Well, let us now suppose the rate of wages falls one-fifth: then a labourer who before earned ten shillings a week will now only get eight. But on the other hand, he can get as much bread, potatoes, or bacon for eightpence, as he before paid tenpence for.

He next goes to the village shop to buy a stock of tea, tobacco, coats, petticoats, or blankets. He finds that he can purchase now for fourteen shillings what he was before obliged to pay fifteen shillings

for. The five shillings of the price paid for the stuff out of which the article is made remains unchanged—the five shillings profit remains the same—the five shillings wages are reduced one-fifth, that is, one shilling, so that goods that were worth fifteen shillings are now worth fourteen: their price has just fallen one-fifteenth, while the wages of the labourer have fallen one-fifth. He saves on the average one shilling out of fifteen in the purchase of foreign and manufactured articles, while his wages are reduced two shillings out of ten.

We have assumed, for the sake of argument, that wages form one-third of the price of the various articles purchased by the labourer: probably this is very much overstating it. The foreign articles, tea, tobacco, sugar, which he may purchase, can hardly be said to have any English labour in them at all: and of the cotton and other manufactured articles, the profits upon the capital constitute a very large portion of the price,—the rate of profits having a greater influence over their price than the rate of wages. In the production of any article, the wages of labour have to be paid only once; but as most commodities pass through several hands before they reach the consumer, profits have often to be paid several times. Thus there may be the dealer in the raw material, the merchant, the wholesale and the retail dealer, all

of whom receive profit for the capital they employ, and the risk they incur : indeed, where much machinery is employed, wages do not necessarily form a very large proportion of the expenses of manufacturing the article : for although all machinery may be said to be the result of labour, the returns that the manufacturer obtains for it are regulated by the rate of profits, and not by the price of labour.

It may, perhaps, make this matter clearer, to look at it in another shape. Let us suppose, therefore, that the price of food remains unchanged ; while there is an alteration in the price of articles of comfort, not absolutely necessary for the support of existence.

If we suppose that a labourer spends about a shilling a month in the purchase of cotton goods ; and if we suppose, farther, that some improvement takes place in their manufacture that enables them to be sold at half their former price ;—he can now buy the same amount of this cotton for sixpence, that he paid a shilling for before ; so that, after making his usual purchases, he has sixpence left in his pocket.

Now, as the fall in the price of cotton goods will not enable the country to maintain a greater population, there being no additional food for their support, the fall in the price of cotton cannot, by adding to the number of labourers, create any increased competition to lower wages. Thus the

sixpence saved may be considered as so much added to the income of the labourer.*

The amount of food in a country may be said to limit the population supported by it ; while the amount of articles of convenience, not necessary to the support of life, measures the comforts to be divided among that population. Thus we hear of people in one country rearing families under circumstances of discomfort and misery that are not to be found in another : a fact that has been accounted for by some writers by supposing that the inhabitants of one country had a superior “ taste for the comforts of life.”† The real reason appears to be, that the power of rearing a family depends upon the command that a man has over food, and the absolute

* The individual labourer may undoubtedly lay out this additional sum in the purchase of food, and to increase his means of supporting a family. But though an individual may do this, everybody cannot : for if everybody was to spend an additional sum, say one-fifth more, in the purchase of corn, without any increase in the quantity for sale, then it is evident that, the amount of corn being the same, and being divided in the same proportion among the same number of people, each will purchase exactly the same quantity of corn for the greater sum, as he got before for the smaller sum. It is evident, therefore, that if one man buys more, some one else must buy less. And this is practically the case : the man with a family will buy more food, while the increase of the artificial comforts of life that must be sacrificed to enable a man to maintain a family will form an additional temptation to others to continue in a single state.

† Torrens, Wages and Combination, p. 12.

necessaries of life ; while his comfortable condition depends upon the command he has over articles of comfort not absolutely necessary to existence.

Suppose that, in consequence of improvements in machinery, a greater amount of cotton goods is produced by the same expenditure ; although increased wages may be paid to the labourer in money, the only addition that is made to the wealth of the community consists of cotton. If, therefore, the labourer spend part of his additional wages in other articles, the increased demand will have a tendency to raise their price, so that he will not obtain increased comfort in the exact proportion as his wages are raised. The degree in which increased demand raises price, varies materially in different descriptions of goods. In most of the principal manufactures of this country, supply follows so closely upon demand, (the amount produced being, in a great measure, limited by the quantity which can be disposed of at a remunerative price,) that a very considerable addition to the supply can be produced at a trifling, and often at only a temporary, advance of price. In the manufacture of complicated machinery, an increased demand sometimes appears even to have a tendency to lower the cost of production. Mr. Taylor, before a Committee of the House of Commons, gave the following evidence : — “ I have invariably observed, that an increased demand for

any particular kind of machinery rather has a tendency to diminish price. That has been the case with a vast number of machines in this country: the power-looms, for example, are now made at a very low price, owing to there being a great demand for them. Steam-engines in like manner: the great demand for them has put a number of heads and hands to work upon them, and they have been produced at a much less price, in consequence of such increased demand, than they would have been sold for, had the demand been a more limited one."

But the case is far different with some other articles, particularly with agricultural produce. If an arable farm, under ordinary cultivation, produce one hundred quarters of wheat, it is probable that no increased expenditure could make it produce two hundred quarters; and any increase of its average crop could only be obtained by a much more than proportionate increase of expenditure. The farmer, it should also be observed, unlike the manufacturer, does not regulate the *amount* of his crop by the demand for it, (though he may alter the kind of crops according to the taste of his customers,) but always tries to raise as large a produce as he can. For, in long periods of time, population will accommodate itself to the amount of food; or, in other words, the demand will accommodate itself to the supply, and not the supply to the demand, as is more or less the case with other articles. And

It is called
decreasing returns
to scale

in short periods, as from year to year, the supply, and consequently the price, of agricultural produce depends more upon the season than upon the farmer.

An alteration in the system of agriculture may certainly enable corn and cattle to be raised in greater abundance ; but improvements in agriculture are not so frequent, or to such vast extent, as those that take place in manufactures. The chief operations in agriculture are performed by nature : —Wheat rises from the seed to the full ear by the agency of nature alone. All that art can assist it in is, by giving it full room to operate in, as by weeding, manuring, draining. It should also be observed, that only those improvements that increase quantity have an effect upon the selling price. If corn could be thrashed cheaper by machinery, there would not necessarily be more corn to be thrashed ; and unless a greater quantity of corn be brought to market, there would be no fall in its price. It is true that anything which lowers the cost of bringing corn to market may induce farmers to plough up some lands that could not before be cultivated with profit, and thus the amount raised might be in a small degree increased : but the great saving made by diminishing the cost of producing the thrashed corn, will go into the pocket of the farmer, and ultimately into that of his landlord : for the owner of the soil may take

to himself all that is more than sufficient to give his tenant the ordinary profits of his business.

There does not appear to be any considerable difference in the expense of raising a certain amount of agricultural produce now and a century or two ago. The gradual improvements in the system of husbandry having a constant tendency to make agricultural produce cheaper ; and the farmer being obliged to have recourse to inferior land, or to pay a higher rent, having a constant tendency to make agricultural produce dearer ; probably these two causes about counterbalance one another. But, be this as it may, unless the supply of food can *increase faster* than the population, the increase of food will give no increased abundance to the labourer. An increase in the supply of food will eventually increase the numbers of the population, and a reduction in the supply of food will diminish the numbers of the population. While the increase is going on, the labourer will enjoy a temporary abundance ; while the diminution is going on, the labourer will suffer a temporary distress. But as soon as the population has accommodated itself to the supply of food, the only effect will be an alteration in the numbers of the people that have to subsist upon it.

But an increase in the artificial comforts of life may go on for ever, without producing any augmentation of the number of persons among whom they are distributed.

The proportion in which the improvements in manufactures or the supply of comforts exceed the increase in the supply of food, is very important ; for the supply of food being the limit of the population, the more the supply of comforts increases as compared with the number of its consumers, the greater the share of comforts that may be expected to fall to the lot of each individual.

In the natural progress of society, all those inventions and improvements that add to the enjoyment of mankind multiply in a faster ratio than those which only afford the means of mere animal existence : and thus the mass of the population, who derive their only subsistence from their labour, are constantly finding additional conveniences or advantages brought within their reach. They will not be richer, in the common acceptation of the word ;—they will be obliged to work as hard as before,—they will find an equal difficulty in subsisting their families ; but their dwellings will be more commodious, and their clothing more comfortable. Thus linen and cotton clothing, shoes, stockings, soap, candles, glass windows, tea, sugar, medicine, the means of giving a religious and useful education to their children, have been one by one added to the comforts of the labouring classes in this country, without at all diminishing the difficulty of procuring food for their families. We often hear of a portion of our population being in distress from want of food, but we never hear of any serious apprehensions being entertained of

their not being able to procure shoes and stockings; and yet shoes and stockings might be dispensed with easier than food. A large proportion of the women in Ireland are not in the habit of wearing them, or at least they only put them on when they come to a fair or market, and take them off again when they start to return home, thus using them only from motives of ostentation, or, as they call it, to keep up a respectable appearance.

But if the food they subsist on was dearer as compared with the price of shoes and stockings, or, what is the same thing, if shoes and stockings were cheaper as compared with their food, this would no more be the case in Ireland than it is in England.

Every contrivance that tends to economise labour, occasions the article in the production of which it is introduced to exchange for a smaller amount of food. Cotton goods have within the last century fallen perhaps a hundred per cent. as compared with food or with money. These improvements, therefore, though they will not enable a day's wages to exchange for a greater amount of food, will bring within the reach of the labouring man many comforts that before were confined to the rich, if not wholly unknown.

Now, if the price of corn, and, with it the rate of wages, were permanently to fall, the condition of the labourer would go back a step. His food would remain as it was, but his comforts would be reduced as his wages fell. The only person that

would derive permanent advantage from the change would be the master who employs labourers ; he would get more work done for his money.

What do the master manufacturers say ? They say that the reduction in the price will enable the manufacturers of this country to compete better with the manufacturers of foreign countries. They say that they are not placed upon equal terms with their rivals on the continent. While the Englishman's food is taxed, their rivals live upon cheap bread. But take off the duties upon corn, and English manufacturers will fear no competition : and they say, moreover, that the artisan ought not to be forced to pay a high price for bread to keep up the rents of the aristocracy of landowners. They are for prosperity in manufactures and cheap bread.

Mr. Clay, addressing his constituents in the Tower Hamlets the other day, said, " The question is between big loaves and small loaves—I am a big-loafian."

All which means, that if the corn laws were repealed, manufactures would flourish, and the labourer be able to buy a larger loaf. Let us look at this a little closer. How will a repeal of the corn laws enable us to manufacture cheaper ? There is but one way in which it can affect our manufactures, which is, by enabling the working classes to do upon less wages. But if wages are reduced as the price of corn falls, what becomes of the big loaf ? It is perfectly true that the same

money will purchase a bigger loaf than before, but the master manufacturer, in handing the loaf on to his workman, snips off a piece large enough only to leave the remainder equal to the old small loaf, and puts the difference into his pocket in the shape of wages saved, while he turns up his eyes and says, "What a blessing cheap food is to the labouring man! I am a big-loafian."

In short, unless *wages are reduced*, by the taking off the duty upon corn, we shall not be able to extend our manufactures; and if wages are lowered with the fall in the price of corn, the labouring classes will be in a much worse situation than they are at present.

Mr. Ebenezer Elliot, at the Sheffield meeting, said, "You listen to men who tell you that when food is dear, wages rise; and when food is cheap, wages fall; but what do your bellies say? Have you foundit so? Three years ago, bread was one shilling and sixpence the stone—were your wages low then? No, never higher. Now bread is three shillings the stone. Have your wages doubled? No, they are sinking."

All this is sound reasoning as far as it goes. Wages are very little, if at all, affected by a single dear year or a single cheap year. Indeed they may sometimes rise in a cheap year, and fall in a dear one. It requires the average price of food to be changed for many years together, before any alteration is necessarily effected in the rate of wages.

The next point of view in which we will look at this question is, how the taking off the duty of corn would affect the different descriptions of labourers—would they all be equally affected or not?

Let us first take the manufacturing labourer. The stimulus given to manufactures by the fall of wages, occasioned by a repeal of the corn laws, will continue to create for a length of time an extra demand for labour, so that the workman, though he gets less wages, obtains more constant employment; and this extra demand for labour may, to certain extent, prevent wages from falling quite so fast as the price of corn falls. It is, however, quite evident that *wages must fall considerably*, or the repeal of the corn laws could give no increased stimulus to trade. As soon, however, as the number of labourers had increased to the full number that the manufactures were capable of supporting, these advantages would be at an end; or, in other words, the stimulus given to manufactures by the fall of wages would let the manufacturing labourer down rather easier and less rapidly than those in other occupations.

Let us now turn to the agricultural labourer. His case is just the reverse; for if corn can be imported much cheaper than it is grown at home, large tracks of second-rate land will no longer pay to be cultivated as corn land. They will require no longer any ploughing, or harrowing, or weed-

ing, or draining ; sheep and cattle upon grass land require very few attendants, so that the farm labourer will find not only his wages lowered, but in very many cases his work taken away from him altogether, with very little chance of getting employment in any other part of the country. A large portion of the present farm labourers would find themselves left with the choice of the workhouse or emigration ; for, although the manufactures may now be getting more constant employment, it is very difficult to convert a ploughman into a manufacturer.

But, although the fall in the wages of one description of workmen is sudden, and the other gradual, to a lower scale of wages they must both fall, which, though it will provide them with the same amount of food, will diminish the quantity of comforts that they are able to buy.*

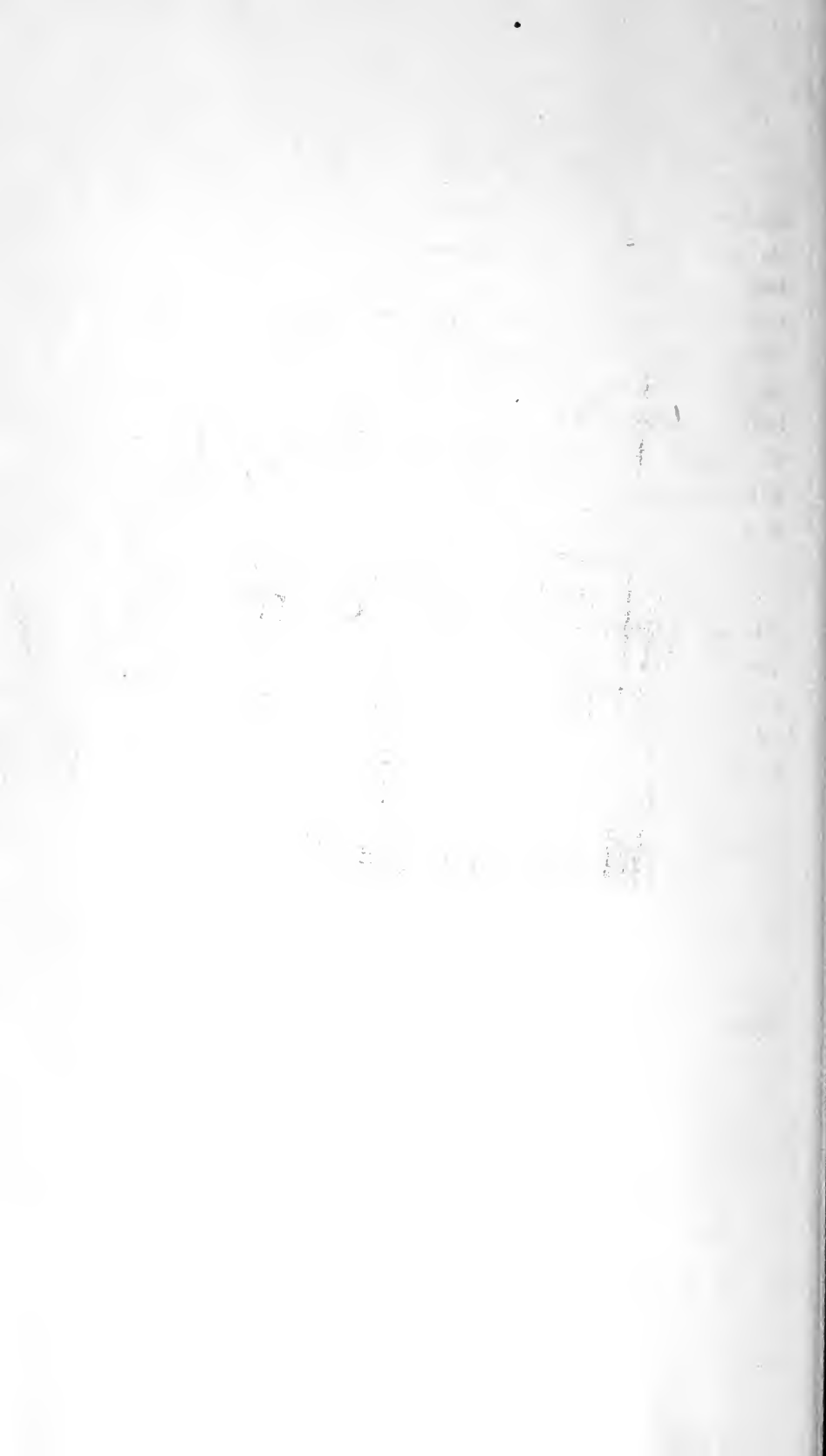
This subject has many other important bearings ; but I have confined myself to the effects that the taking off the duty upon foreign corn will have upon the labouring population.

* The author has entered more fully into the general subject of wages in a work published by him some time ago, entitled, "Civilisation, or a brief Analysis of the Natural Laws that regulate the Numbers and Condition of Mankind."—London, Saunders and Otley.

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